

**PORTFOLIO
BUDGET STATEMENTS
2007-08**

DEPARTMENT OF THE HOUSE OF REPRESENTATIVES

**BUDGET INITIATIVES AND EXPLANATIONS OF
APPROPRIATIONS SPECIFIED BY OUTCOMES AND OUTPUTS BY AGENCY**

BUDGET RELATED PAPER NO. 1.18A

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Speaker of the House of Representatives

The Hon David Hawker MP

PARLIAMENT HOUSE

CANBERRA 2600

Honourable Members

2007-08 Portfolio Budget Statement

This is the Portfolio Budget Statement in support of the 2007-08 Budget for the Department of the House of Representatives.

These statements have been developed, and are submitted to the Parliament, as a statement of the outcomes for the portfolio.

I present these statements by virtue of my responsibility for accountability to the House and, through it, the public.

Yours sincerely

A handwritten signature in black ink that reads 'David Hawker' in a cursive style.

DAVID HAWKER
Speaker

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact Mr Doug Pereira, Chief Finance Officer, Department of the House of Representatives on (02) 6277 4448 or e-mail doug.pereira.reps@aph.gov.au.

A copy of this document can be located on the Department of the House of Representatives website at: <http://www.aph.gov.au/house/dept/pbs2007/index.htm> and the Australian Government Budget website at: <http://www.budget.gov.au>.

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**USER GUIDE
TO THE
PORTFOLIO BUDGET
STATEMENTS**

USER GUIDE

Purpose of the Portfolio Budget Statements

The purpose of the 2007-08 Portfolio Budget Statements (PB Statements) is to inform Members of the House of Representatives of the proposed allocation of resources to the outcome by the Department of the House of Representatives (the Department). The Department receives resources from the annual appropriations bills, special appropriations, standing appropriations (including special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in the Appropriation (Parliamentary Departments) Bill (No. 1) 2007-08. In this sense the PB Statements are officially Budget Related Papers and are declared by the Appropriation Bills to be 'relevant documents' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide sufficient information, explanation and justification to enable Members to understand the purpose of each outcome proposed in the Bills.

As required under Section 12 of the *Charter of Budget Honesty Act 1998*, non-general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates, accordingly, these entities are not reported in the PB Statements.

How to read the PB Statements

The PB Statements are presented in three sections, aligned in several ways to the Budget Papers, as outlined below.

User Guide to the Portfolio Budget Statements

An introduction, explaining the purpose of the PB Statements, the structure of the document, and styles and conventions used.

Department Overview

A brief overview of the department. Outcomes are depicted in a chart outlining the structure of the outcomes to which the department contributes.

Budget Statement

The budget statement is presented in 4 sections:

Section 1: Overview	A brief overview of the agency.
Section 2: Resources	A reconciliation of department resourcing information from the 2006-07 Mid-Year Economic and Fiscal Outlook to the 2007-08 Budget. Includes key changes to the estimates and a table of appropriations and other revenue sources for both Administered and Departmental appropriations.
Section 3: Outcomes	A brief description of the outcomes and, where applicable, Budget measures in summary form. Details the contribution of the outputs to the outcome, performance information for the outcome, outputs and administered items, and planned evaluations. Notes upcoming competitive tendering and contracting that is of a material or sensitive nature. Links the resources appropriated to their application to the outputs and to administered items.
Section 4: Budgeted financial statements	The budgeted financial statements in accrual format, covering the budget year, the previous year and three out-years.
Glossary	Explains key terms.

PB STATEMENTS AND BUDGET PAPERS

Comprehensive information on all government decisions announced in the Budget are in *Budget Paper No. 2, Budget Measures 2007-08*. The PB Statements include Budget appropriations for this Budget in each agency's Section 2.2, 2007-08 Budget Measures.

The following chart shows the links between the Budget papers and the PB Statements.

Budget Paper	PB Statements equivalent
Budget Paper No. 1 Budget Strategy and Outlook	
Statement 1: Fiscal Strategy and Budget Priorities Overview of the fiscal and economic outlook	User Guide Agency Overview Section 1: Department overview Agency Budget Statements Section 2: Agency resources for 2007-08
Statement 2: Fiscal Outlook Budget aggregates and variations to the fiscal balance	Agency Budget Statements Section 2: Agency resources for 2007-08
Statement 10: AAS Financial Statements Accrual financial statements for the general government sector	Agency Budget Statements Section 4: Budgeted financial statements
Budget Paper No. 2: Budget Measures	
Budget revenue, expense and capital measures	Agency Budget Statements Section 2: Agency resources for 2007-08
Budget Paper No. 3: Federal Financial Relations	
Information on the Australian Government's relations with states, territories and local government, in particular, Specific Purpose Payments (SPPs)	Agency Budget Statements Section 2: Agency resources for 2007-08 Section 3: Agency outcomes
Budget Paper No. 4: Agency Resourcing	
Resourcing for Australian Government agencies, including Appropriation Bills	Agency Budget Statements Section 2: Agency resources for 2007-08

Departmental and administered items

Under the Australian Government's accrual-based budgeting framework, and consistent with Australian Accounting Standards, transactions that the department decides (departmental transactions) are separately budgeted for and reported on from transactions the department makes on behalf of others (administered transactions). This ensures that transactions decided by the department are reported separately from other transactions in the accounts.

Departmental items

Revenues, expenses, assets and liabilities in relation to an agency or authority that are controlled by the department. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.

Administered items

Revenues, expenses, assets and liabilities that are managed by the department on behalf of Parliament according to set directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

Appropriations in the accrual budgeting framework

In the accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing Parliament's funding for outputs from the department,
- Departmental capital appropriations: for investments for either additional equity or loans to agencies or payments from previous years' outputs,
- Administered expense appropriations: for the estimated administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in administered equity through funding non-expense Administered payments.

Special appropriations fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to State governments). The appropriation framework is discussed further in the introduction to *Budget Paper No. 4: Agency Resourcing 2007-08*.

Components of agency financial statements

Reporting requirements for budgeted financial statements differ between agencies (for example, according to whether the agency participates in administered transactions). Therefore, not all agencies are required to report against all schedules.

The budgeted financial statements contain the estimates prepared in accordance with the requirements of the government's financial budgeting and reporting framework, including the principles of the Australian Accounting Standards and Statements of Accounting Concepts, as well as specific guidelines issued by the Department of Finance and Administration. They show the planned financial performance for the 2007-08 Budget year and each of the forward years from 2008-09 to 2010-11. The statements also include the estimated actual for 2006-07 for comparative purposes.

The schedules included in the budgeted financial statements for 2007-08 are as follows.

Schedule	Purpose
Budgeted departmental income statement	Shows the expected financial results for the agency. Identifies full accrual expenses and revenues, which highlights whether the agency is operating at a sustainable level.
Budgeted departmental balance sheet	The financial position of the agency. It helps decision makers to track the management of assets and liabilities.
Budgeted departmental statement of cash flows	Provides information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.
Departmental capital budget statement	Shows all planned departmental capital expenditure (capital expenditure on non-financial assets), whether funded through capital appropriations for additional equity or borrowings, or from funds from internal sources.
Departmental property, plant, equipment and intangibles — summary of movement	Shows budgeted acquisitions and disposals of non financial assets during the Budget year.

Schedule	Purpose
Schedule of budgeted income and expenses administered on behalf of government	Identifies the main revenues and expenses administered on behalf of government.
Schedule of budgeted assets and liabilities administered on behalf of government	Shows the assets and liabilities administered on behalf of government.
Schedule of budgeted administered cash flows	Shows cash flows administered on behalf of government.
Schedule of administered capital budget	Shows details of planned administered capital expenditure.
Schedule of administered property, plant, equipment and intangibles — summary of movement	Discloses details of movements in administered non financial assets.

DEPARTMENT OVERVIEW

SECTION 1: DEPARTMENT OVERVIEW

1.1 PORTFOLIO RESPONSIBILITIES

The Department is one of the parliamentary departments supporting the Australian Parliament.

The Department's purpose, as set out in its Corporate Plan, is:

To support the House of Representatives and the Parliament by providing advice and services of the highest possible standard.

The Department provides services to ensure:

- the Chamber and Main Committee operate effectively;
- Parliamentary committees operate effectively;
- Members receive appropriate services to fulfil their parliamentary duties;
- international and regional relationships with other Parliaments, parliamentary bodies and organisations are maintained; and
- the community understands, and interacts with, the work of the House of Representatives and the Commonwealth Parliament.

The Speaker, the Honourable David Hawker, MP, has accountability obligations to the Parliament for the Department. The Clerk of the House of Representatives, Ian Harris, is responsible for managing the Department.

The Department acts in partnership with the Department of the Senate, the Department of Parliamentary Services (DPS), the Office of the Governor-General and relevant government agencies to ensure the outcomes of parliamentary proceedings are processed and recorded accurately and on time.

Factors that may impact on Departmental performance

Activity levels tied to the parliamentary cycle impact on the Department's budget position. 2007-08 will see reduced activities relating directly to the work of the Chamber and committees (with fewer sitting days of the House and fewer committee meetings and reports likely due to the holding of a general election). The budgeted zero operating surplus for 2007-08 reflects that the Department will need to meet the demands of the changeover in Parliaments and that it uses this time in the parliamentary cycle to undertake reviews and planning of its services.

1.2 DEPARTMENTAL OUTCOME

The Department has one outcome:

The House of Representatives fulfils its role as a representative and legislative body.

The outcome is supported by five output groups as discussed in section 2 of this statement. The break-up of resources to outputs is shown in figure 1. The contribution made by organisational units to the outcome and outputs is shown in Figure 2 on the following page.

Figure 1: Resource usage attributed to outputs

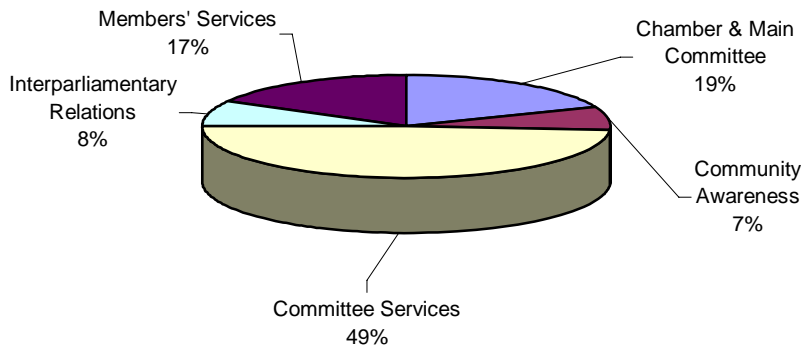


Figure 2: Organisational contribution to the outcome

OUTCOME	
<p>The House of Representatives fulfils its role as a representative and legislative body.</p> <p>Speaker The Hon. David Hawker MP</p> <p>Clerk of the House Ian Harris</p> <p>Deputy Clerk Bernard Wright</p>	
<p>Clerk Assistant (Table): Robyn McClelland</p>	<p>OUTPUT GROUP 1.1</p> <p>Chamber and Main Committee</p> <p><i>Table Office</i></p> <p>Chamber Support</p> <p><i>Serjeant-at-Arms' Office</i></p> <p>Chamber and ceremonial duties</p> <p><i>Chamber Research Office</i></p> <p>Parliamentary and procedural research</p> <p>Provision of information and publications</p> <p><i>Committees</i></p> <p>Support for the House committees on selection, publications, procedure, members' interests and privileges and joint Committee on Broadcasting</p>
<p>Clerk Assistant (Table): Robyn Webber</p>	<p>OUTPUT GROUP 1.2</p> <p>Community Awareness</p> <p><i>Serjeant-at-Arms' Office</i></p> <p>School visits</p> <p><i>Parliamentary Education Office</i>^a</p> <p>Education and public awareness activities</p> <p><i>Liaison and Projects Office</i>^b</p> <p>Promotion, information and publications</p>
<p>Clerk Assistant (Committees): Robyn Webber</p>	<p>OUTPUT GROUP 1.3</p> <p>Committee Services</p> <p><i>Committee secretariats</i></p> <p>Support for 21 committees</p> <p>Liaison Committee for chairs and deputy chairs</p>
<p>Serjeant-at-Arms: David Elder</p>	<p>OUTPUT GROUP 1.4</p> <p>Inter-parliamentary Relations</p> <p><i>Parliamentary Relations Office</i>^c</p> <p>Support for parliamentary delegations and membership of inter-parliamentary associations.</p>
<p>Serjeant-at-Arms: David Elder</p>	<p>OUTPUT GROUP 1.5</p> <p>Members Services</p> <p><i>Speaker's Office</i>^d</p> <p><i>Serjeant-at-Arms' Office</i></p> <p>Accommodation and support services</p> <p>House Committee</p> <p>Members' and office holders' stationery</p> <p><i>People Strategies Office</i></p> <p>Salaries and allowances</p> <p><i>Finance Office</i></p> <p>Financial services and support</p> <p><i>Information Systems and Publishing Office</i></p> <p>Printing, publishing information technology equipment</p>

- a Jointly funded by the department and the Department of the Senate and administered by the Department of the Senate
- b Liaison and Projects Office reports to Clerk Assistant (Committees)
- c Jointly funded by the department and the Department of the Senate
- d Included in this output group for budgetary purposes

AGENCY BUDGET STATEMENTS

SECTION 2: AGENCY RESOURCES FOR 2007-08

2.1: APPROPRIATIONS AND OTHER RESOURCES

The total appropriation for the Department in the 2007-08 Budget is \$49.054 million. The source of this funding is shown in figure 3 below. The Department is provided with administered funding for payment of administered expenses and price of outputs funding. Administered funds are provided for payment of Members' salaries and allowances, postage and freight expenses and for the salaries of staff of the Speaker. All other expenses are for the price of the Department's outputs.

The Department generates approximately \$0.2 million revenue through charging for attendance at seminars, selling publications and other minor services. Other departments, principally DPS, provide around \$4 million worth of resources free of charge. These include security services, rent and utilities, computer and communications infrastructure and services, and research services.

Figure 3: Source of funding

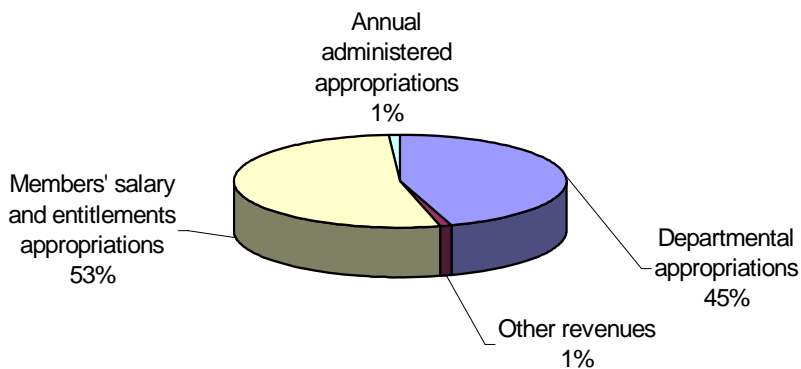


Table 2.1: Appropriations and other resources 2007-08 ('000)

Department of the House of Representatives Portfolio
 Agency Resourcing—2007-2008

Agency/Outcome/ Non-operating	Departmental		Administered					Total \$'000		
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Receipts (a) \$'000	Appropriation Bill No. 1 \$'000	Appropriation SPPs \$'000	Other (b) \$'000		Special Appropriation \$'000	Receipts (a) \$'000
Outcome 1 - The House of Representatives fulfills its role as a representative and legislative body	22,313	-	-	170	712	-	-	26,029	-	49,224
TOTAL	22,313	-	-	170	712	-	-	26,029	-	49,224

(a) Departmental and administered receipts from other sources (i.e. other than appropriation amounts) that are available to be used.

(b) Includes new administered expenses and administered assets and liabilities.

Notes:

1. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

2. Refer to Budgeted Income Statement for application of agency revenue.

2.2: 2007-08 BUDGET MEASURES

There are no budget measures relating to the Department.

2.3: OTHER RESOURCES AVAILABLE TO BE USED

Table 2.2 provides details of resources obtained by the department for provision of goods or services. These resources are approved for use by the department and are included in Table 2.1.

Table 2.2: Other resources available to be used

	Estimated resources 2006-07 \$'000	Budget estimate 2007-08 \$'000
Departmental resources		
Sale of Goods and Services (FMA Act s.31)	170	170
Resources received free of charge	3,623	3,769
Total departmental other resources available to be used	3,793	3,939
Administered other resources		
Nil	-	-
Total administered other resources available to be used		

Receipts received free of charge are mainly provided by the Department of Parliamentary Services and include security services, rent and utilities, computer and communications infrastructure and services, and research services.

2.4: SPECIAL APPROPRIATIONS

Table 2.3: Estimates of expenses from special appropriations

		Estimated expenses 2006-07 \$'000	Budget estimate 2007-08 \$'000
	Outcome		
Estimated expenses			
Members' Salaries - RAA Act 1990	1	17,848	18,921
Members' Allowances - RTA Act 1973	1	5,697	5,906
Members' Superannuation - PSA Act 2004	1	385	802
Communications allowance - PEA Act 1990	1	300	300
Transfer of bulk papers - PEA Act 1990	1	100	100
Total estimated expenses		24,330	26,029

Under the Administrative Arrangements Orders, the four Acts that provide appropriation for the above payments are the responsibility of other departments. The Department of Finance and Administration is responsible for the PSA Act and PEA Act and the Department of Workplace Relations is responsible for the RAA Act and the RTA Act. The Department has entered into arrangements with these departments to draw and report on the appropriations.

Acts Glossary:

RAA Act 1990 - *Remuneration and Allowances Act 1990* - section 8

RTA Act 1973 - *Remuneration Tribunal Act 1973* - section 7 (13)

PSA Act 2004 - *Parliamentary Superannuation Act 2004* - section 18

PEA Act 1990 - *Parliamentary Entitlements Act 1990* - section 11

2.5: SPECIAL ACCOUNTS

Table 2.4: Estimates of special account flows and balances

	Opening balance 2007-08 2006-07	Credits 2007-08 2006-07	Debits 2007-08 2006-07	Closing balance 2007-08 2006-07
Outcome	\$'000	\$'000	\$'000	\$'000
Inter-Parliamentary Relations Special Account - FMA Act 1997 (D)	2,801	141	141	2,801
	2,801	141	141	2,801
Services for Other Government and Non- Departmental Bodies - FMA Act 1997 (D)	107	5	5	107
	107	5	5	107
Other Trust Moneys Account - House of Representatives - FMA Act 1997 (D)	24	100	100	24
	24	100	100	24
Total special accounts				
2007-08 Budget estimate	2,932	246	246	2,932
Total special accounts				
2006-07 estimate actual	2,932	246	246	2,932

Key: (D) Departmental
(A) Administered

Act Glossary:

FMA Act 1997 – *Financial Management and Accountability Act 1997* – section 20

SECTION 3: OUTCOMES

This section explains how the resources identified in Section 2 will be used to deliver outputs and administered items to contribute to the outcome for the Department of the House of Representatives.

It is anticipated that a general election will occur during the year. As a result the activity levels of the core areas of the department's operations – the Chamber and committees – are expected to be less active. However, an election and the changeover of members, creates a greater demand on the provision of Member's services. The Department also uses this time to undertake reviews of its processes and priorities and conducts planning for a new Parliament.

3.1: SUMMARY OF OUTCOMES, OUTPUTS AND ADMINISTERED ITEMS

The Department works to achieve its outcome through the delivery of services against each of the five output groups. The relationship between the outcome and the five contributing output groups is shown in figure 4. There have been no changes made to the Department's output groups for 2007-08.

Output Group 1 – Chamber and Main Committee

This output group reflects all resources supporting the effective operation of the Chamber and Main Committee of the House of Representatives.

The focus will continue to be the provision of advice and services of the highest standard to support the Chamber and Main Committee, together with the ongoing development and maintenance of staff knowledge and skills, systems and processes.

As has been mentioned previously, 2007-08 will be an election year and it is anticipated that the level of direct support activity for the output group during the year will be lower than for the previous year, reflecting a likely reduction in the number of sitting weeks of the House. During the year, in addition to secretariat support for the Chamber and Main Committee, effort will continue to be directed to development and redevelopment of certain information technology systems. The Chamber Support area is heavily dependant on information technology. Following the dissolution of the House for the general election, end of Parliament tasks will be addressed, together with preparation for the 42nd Parliament.

Output Group 2 – Community awareness

This output group reflects all resources supporting the provision of services to increase community understanding of, and interaction with, the work of the House of Representatives and the Commonwealth Parliament.

The Department's community outreach program involving a magazine, television program, website, email alert service, advertising, media liaison, seminars and other presentations, will continue to be developed and maintained. Efforts will be directed to broadening the audience accessing the various components of the outreach program. During 2007-08 a reduction in activity is anticipated because of the cessation of Chamber and committee activity for the period of the federal election. No regular seminars have been scheduled for the first half of 2007-08, one or more issues of the magazine and television program will be cancelled and a suspension in other services is likely for the election period. Special purpose seminars may continue in addition to planning and preparation of resources for the new Parliament.

The department's support for the Parliamentary Education Office, which is jointly funded by the Department and the Department of the Senate and administered by the Department of the Senate, will continue at trend levels.

Output Group 3 – Committee services

This output group supports House of Representatives and some joint committees in fulfilling their role in the parliamentary consideration of policy and legislation and the scrutiny of government.

Committee activity levels will decline as the Parliament moves towards a general election and cease altogether from dissolution until the reestablishment of committees in the new Parliament leading to a significant reduction in expenditure for 2007-08. Focus during this period will be on training and development of staff, evaluation and improvement of service arrangements and systems and record management. Increased recruitment activity is expected in the second half of 2007-08 to support committees as they are established in the new Parliament.

Output Group 4 – Inter-parliamentary relations

This output group provides advice and support to facilitate the conduct of the Parliament's international and regional affairs. Generally no incoming or outgoing delegations will be scheduled during the dissolution period resulting in a significant reduction of expenditure for the year. Activity during this period will focus on training and development of staff and evaluation and improvement of service arrangements. Assistance to other Parliaments and the Asia/Pacific region through the education trust fund and other capacity building projects is expected to continue.

Output Group 5 – Members’ services

The resources to provide advice, services and support to Members in Parliament House are included in this group. These include the provision of advice and services relating to salary and allowances; accommodation; computing and communication facilities; office services and printing.

As noted earlier, the expected general election will make significant additional demands on the provision of services to members. Retiring or departing members will be assisted with their departure from Parliament House while newly elected members will need to be paid and have accommodation and equipment provided to them in Parliament House.

The Department will implement a new Financial Management Information System during 2007-08.

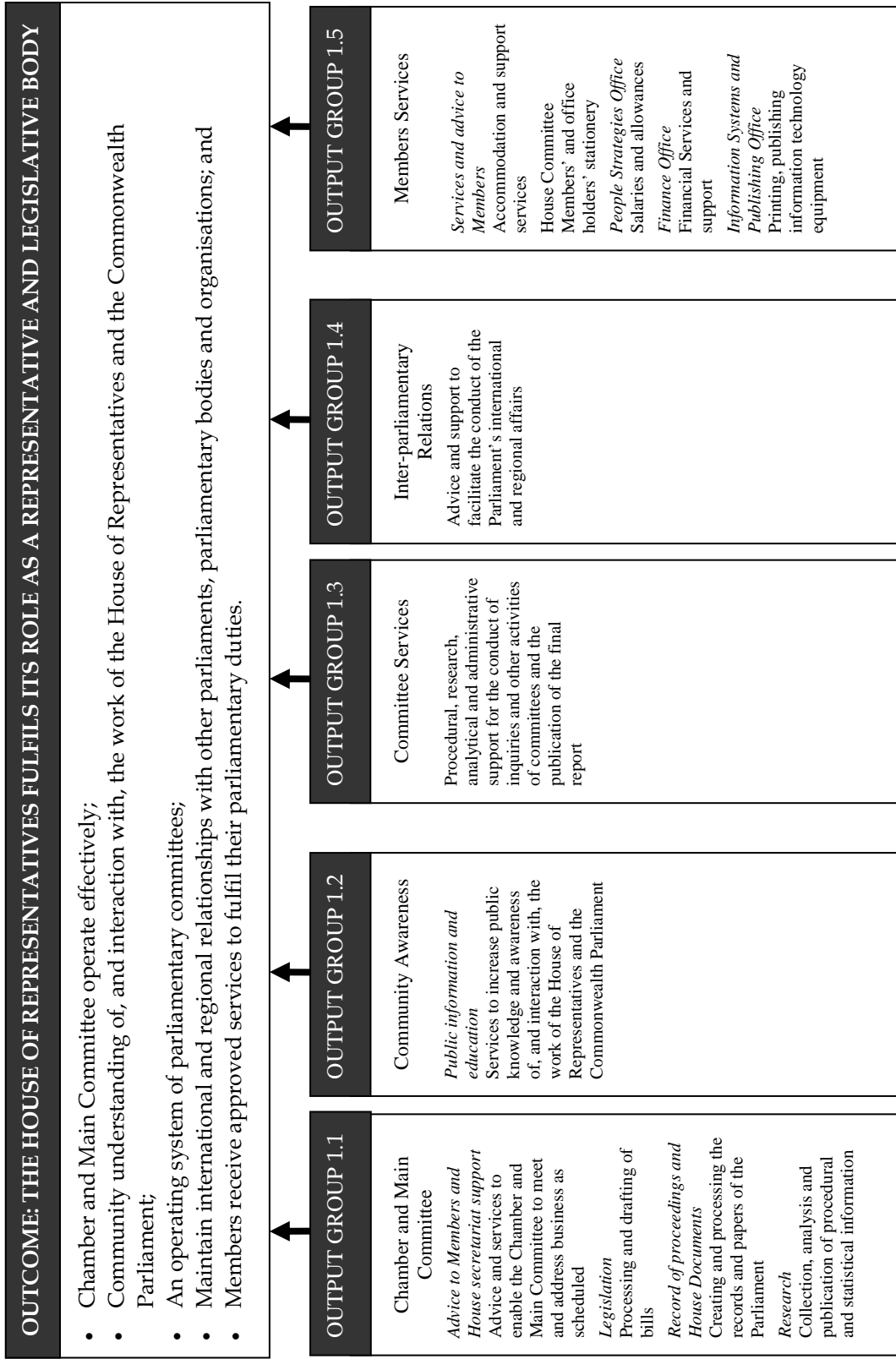
Output cost attribution

Expenses are distributed based on expected budgets for each output group. The Department’s organisational structure is broadly based upon output groups which allow attribution of budgets to the output groups. Overhead expenses are then distributed in line with each output group’s budget, taking into consideration the main drivers of the overhead expenses.

3.2: CHANGES TO THE OUTCOME AND OUTPUTS

There have been no changes to the output structure for the Department.

Figure 4: Outcomes and output groups and administered items



3.3: OUTCOMES RESOURCING

Outcome 1 resourcing

Table 3.1 shows how the 2007-08 Budget appropriations translate to total resourcing for outcome 1, including administered expenses, revenue from government (appropriation), other resources available to be used (Departmental) and the total price of outputs.

Table 3.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000
Administered appropriations		
Members' Salaries and Allowances	24,330	26,029
Holders of Public Office	685	712
Total administered appropriations	25,015	26,741
Departmental appropriations		
Output Group 1.1 - Chamber & Main Committee	4,165	4,203
	4,165	4,203
Departmental appropriations		
Output Group 1.2 - Community Awareness	1,497	1,511
	1,497	1,511
Departmental appropriations		
Output Group 1.3 - Committee services	10,982	11,081
	10,982	11,081
Departmental appropriations		
Output Group 1.4 - Inter-parliamentary relations	1,759	1,775
	1,759	1,775
Departmental appropriations		
Output Group 1.5 - Services and advice to Members	3,710	3,743
	3,710	3,743
Total revenue from government (appropriations)	22,113	22,313
Contributing to price of departmental outputs	85%	85%
Revenue from other sources		
Resources received free of charge	3,623	3,769
Sales of goods and service	170	170
Total revenue from other sources	3,793	3,939
Total price from departmental outputs (Total revenue from government and from other sources)	25,906	26,252
from Special Accounts (estimated payments from Special Account balances)¹		
Inter-parliamentary Relations Special Account	141	141
Services for Other Government and Non-Departmental Bodies	5	5
Other Trust Moneys Account	100	100
Total departmental Special Account outflows	246	246
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	50,921	52,993
	2006-07	2007-08
Average staffing level (number)	157	157

Note 1. Special Accounts are shown in the Special Accounts table in Table 2.5.

3.4: PERFORMANCE INFORMATION AND INDICATORS

Performance information for Outcome 1

EFFECTIVENESS - OVERALL ACHIEVEMENT OF THE OUTCOME		
The House of Representatives fulfils its role as a representative and legislative body (Measures and indicators used as appropriate)		
Sub-outcomes	Performance indicators	How measured
An operating Chamber and Main Committee	Number of sittings of the House and Main Committee Hours of sitting Legislation processed – - number of bills - number of amendments	Trends over time, taking into account the parliamentary cycle
Community understanding of, and interaction with, the work of the House of Representatives and the Commonwealth Parliament	Increased community awareness and involvement	Trends over time
An operating system of parliamentary committees	Number of committees Number of committee meetings Hours of committee meetings Number of committee reports tabled	Trends over time, taking into account the parliamentary cycle
Maintain international and regional relationships with other parliaments, parliamentary bodies and organisations	Number of official and unofficial visits to Australia Level of participation in parliamentary organisations The degree of focus on priority areas of Australia’s bilateral relationships within the visit programs Level of activity with regard to training for parliamentary staff from overseas parliaments	Trends over time, taking into account the parliamentary cycle Evaluation taking account of advice received from DFAT and PM&C Trends over time, taking into account the parliamentary cycle

Sub-outcomes	Performance indicators	How measured
Members receive entitlements and relevant support services	Members satisfied that support services enable them to fulfil their parliamentary duties	Trends over time

PERFORMANCE INFORMATION FOR DEPARTMENTAL OUTPUTS		
Output Group 1.1 - Chamber and Main Committee		
Outputs	Performance indicators	How measured
Advice and services to enable the Chamber and Main Committee to meet and address business as scheduled	<p><i>Quality 1</i> – Members and others are highly satisfied with the advice and services provided by Clerks at the Table</p> <p><i>Quality 2</i> – Members and others are highly satisfied with the quality and timeliness of the following support services:</p> <ul style="list-style-type: none"> • provision of documents of the House (including bills); • programming and procedural advice; • questions in writing; and • presentation of petitions. <p><i>Quantity 1</i> – Hours sat by House and Main Committee</p>	<p>Trends over time - measured through formal and informal feedback</p> <p>Trends over time - measured through formal and informal feedback</p> <p>Trends over time taking into account the parliamentary cycle</p>
Processing and drafting of bills	<p><i>Quality 3</i> – Processing deadlines met with no errors</p> <p><i>Quality 4</i> – Members are satisfied that drafting meets their intentions in a timely way.</p> <p><i>Quantity 2</i> – Number of bills processed to third reading/assent stage within deadlines</p> <p><i>Quantity 3</i> – Number of bills/amendments drafted within timeframe required</p>	<p>Trends over time</p> <p>Trends over time - measured through formal and informal feedback</p> <p>Trends over time, taking into account the parliamentary cycle</p> <p>Trends over time, taking into account the parliamentary cycle</p>

Creating and processing the records and papers of the Parliament	<p><i>Quality 5</i> - Votes officer's minutes for House and Main Committee accurate and current to within 5 minutes</p> <p><i>Quantity 4</i> - number of disallowable instruments and other documents processed</p>	<p>Target is met</p> <p>Trends over time, taking into account the parliamentary cycle</p>
Collection, analysis and publication of procedural and statistical information	<p><i>Quality 6</i> - Accuracy and relevance of information</p> <p>Timeliness of information</p> <p><i>Quality 7</i> - Quality of publications</p>	<p>Trends over time - measured through formal and informal feedback</p> <p>Trends over time - measured through formal and informal feedback</p>
<i>Cost</i> - \$4.203 million		

Output Group 1.2 - Community Awareness		
Output	Performance indicators	How measured
Services to increase public knowledge and awareness of, and interaction with, the work of the House of Representatives and the Commonwealth Parliament	<i>Quality 1</i> - 90% of participants completing seminar evaluations are satisfied with seminar program	Seminar evaluations - trends over time
	<i>Quality 2</i> - Quality of publications	About the House magazine survey - trends over time
	<i>Quantity 1</i> - Number of people subscribing to email alert service	Trends over time
	<i>Quantity 2</i> - Number of student visitors	Trends over time
<i>Cost</i> - \$1.511 million		

Output Group 1.3 - Committee Services		
Output	Performance indicators	How measured
Procedural, research, analytical and administrative support for the conduct of inquiries and other activities of committees and the publication of the final report	<p><i>Quality:</i> Rate of satisfaction of committee members with advice and services provided, through discussions with and surveys of key clients</p> <p><i>Quantity:</i> Number of full year inquiries completed per year</p>	<p>Trends over time - measured through formal and informal feedback</p> <p>Trends over time, taking into account the parliamentary cycle</p>
<i>Cost:</i> \$11.081 million		

Output Group 1.4 - Inter-parliamentary Relations		
Output	Performance indicators	How measured
Advice and support to facilitate the conduct of the Parliament's international and regional affairs	<p><i>Quality 1</i> - Rate of satisfaction of delegates with arrangements for overseas visits by Australian parliamentary delegations</p> <p><i>Quality 2</i> - Rate of satisfaction of Presiding Officers with arrangements for incoming parliamentary delegations, participation in parliamentary organisations and quality of policy advice</p> <p><i>Quality 3</i> - Rate of satisfaction of delegates with arrangements for incoming parliamentary delegations</p> <p><i>Quality 4</i> - Timeliness of provision of passport and visa services</p>	<p>Trends over time and surveys from de-briefing meetings with delegates and other stakeholders</p> <p>Feedback from Presiding Officers</p> <p>Feedback and surveys from diplomatic representatives in Australia and Australian diplomatic missions overseas</p> <p>Trends over time</p>
<i>Cost</i> - \$1.775 million		

Output Group 1.5 - Members' Services		
Output	Performance indicators	How measured
Services and advice to the Speaker, Members and others in accordance with legislation and administrative decisions	<p><i>Quality 1</i> – High level of client satisfaction – number of clients satisfied or very satisfied with services and advice received – measured through surveys or by direct feedback</p> <p><i>Quantity 1</i> – Number of accommodation related services provided to Members</p>	<p>Trends over time - measured through formal and informal feedback</p> <p>Trends over time, taking into account the parliamentary cycle</p>
<i>Cost</i> - \$3.743 million		

PERFORMANCE INFORMATION FOR ADMINISTERED ITEMS		
Administered items	Performance indicators	How measured
Members' salaries and allowances.	<p><i>Quality 1</i> : All variations and salary increases are processed with an accuracy rate of at least 99%</p> <p><i>Quantity 1</i>: 150 payments processed monthly with an annual budget of \$25.629 million</p>	<p>Target is met</p> <p>Target is met</p>
Holders of Public Office	<p><i>Quality 1</i> – All variations are processed with less than a 1% error rate</p> <p><i>Quantity 1</i> – 6 ASL with an annual salary budget of \$0.712 million</p>	<p>Target is met</p> <p>Target is met</p>

3.5: EVALUATIONS

The department's activities are evaluated through both internal and external audits. The Audit Committee is an important part of the department's governance framework. Reviews conducted throughout the year are tabled at each Audit Committee meeting and members consider the findings and recommendations. Implementation of agreed recommendations is monitored by the Committee.

The department's Strategic Internal Audit Plan 2005-2008 focuses on areas of highest risk and where management feels the greatest value can be added. The audit program includes a combination of compliance and performance reviews. There are usually about five to ten audits conducted each year.

For the 2007-08 financial year, the following areas within the department may be subject to an internal audit:

- Corporate governance.
- Quality assurance transition from the current financial management information system (FMIS) to a replacement FMIS.
- Protection of information.
- IT operations, access and service level monitoring.

The planned internal audit program for 2007-08 will be finalised in consultation with the executive and approved by the Audit Committee in July 2007. The department's contract with its internal auditor will end during the year, and the department will procure internal audit services through open tender.

The department's financial statements are audited by the Australian National Audit Office and the department may also be subject to cross-portfolio audits or benchmarking activities.

SECTION 4: BUDGETED FINANCIAL STATEMENTS

Budgeted financial statements

Budgeted agency financial statements and administered financial schedules and related notes for the Department are presented in this section. The financial statements are produced for 2006-07 (estimated actual results), 2007-08 (budget estimate) and three forward years. The financial statements should be read in conjunction with the accompanying notes

Departmental financial statements

Budgeted departmental income statement

This statement provides a picture of the expected financial results for the Department of the House of Representatives by identifying full accrual expenses and revenues.

Expenses are projected to grow over the forward estimates period, largely as a result of input cost increases rather than forecast increased activity levels. Subject to there being no known additional output requirements or cost increases the Department appears to be operating at a sustainable funding level across the forward estimates period.

Budgeted departmental balance sheet

This statement shows the financial position of the Department of the House of Representatives. Key indicators (including the proportion of current assets to current liabilities) support the view of continuing sustainability across the forward estimates period. The high level of liquidity reflects the Department carrying its re-investment reserves as current assets (effectively on deposit with the Official Public Account). While no specific ramp-up in reinvestment has been identified at this point, the House of Representatives will have been operating at the new site for twenty years this budget year and planning on investment priorities will be a focus for the election year ahead.

Budgeted departmental statement of cash flows

Budgeted cash flows, as reflected in the statement of cash flows, provide important information on the extent and nature of cash flows by categorising them into expected cash flows from operating, investing activities and financing activities. The Departments budget year cash flows will reflect the general trends discussed in relation to the departmental income statement.

Departmental capital budget statement

Shows all planned departmental capital expenditure (capital expenditure on non-financial assets), whether funded from internal sources. The decrease in planned capital expenditure in the forward estimates years reflects the likely impact of a change in accounting policy relating to the asset capitalisation threshold for non-financial assets.

Departmental non-financial assets — summary of movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

Schedule of administered activity

Schedule of budgeted income and expenses administered on behalf of government

This schedule identifies the main revenues and expenses administered on behalf of the Government.

Schedule of budgeted assets and liabilities administered on behalf of government

This schedule shows the assets and liabilities administered on behalf of the Government.

Schedule of budgeted administered cash flows

This schedule shows cash flows administered on behalf of the Government.

4.1: BUDGETED FINANCIAL STATEMENTS TABLES

Table 4.1: Budgeted departmental income statement for the period ended 30 June

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
REVENUE					
Revenue					
Revenues from Government	22,113	22,313	22,501	22,713	22,895
Goods and services	120	170	170	170	170
Interest	-	-	-	-	-
Revenue from sales of assets	-	-	-	-	-
Other	4,220	3,769	3,845	3,922	3,900
Total revenue	26,453	26,252	26,516	26,805	26,965
EXPENSE					
Employees	13,498	14,873	15,383	15,373	15,773
Suppliers	11,140	9,649	9,503	9,902	9,662
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	1,685	1,600	1,500	1,400	1,400
Write-down of assets and impairment of assets	100	100	100	100	100
Value of assets sold	30	30	30	30	30
Net foreign exchange losses	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Other	-	-	-	-	-
Total expenses	26,453	26,252	26,516	26,805	26,965
Borrowing costs expense	-	-	-	-	-
Operating result from continuing operations	-	-	-	-	-
Operating result from discontinued operations	-	-	-	-	-
Gain (loss) on remeasuring discontinued operations	-	-	-	-	-
Operating result	-	-	-	-	-
Net surplus or (deficit) attributable to the Australian Government	-	-	-	-	-

**Table 4.2: Budgeted departmental balance sheet
as at 30 June**

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
ASSETS					
Financial assets					
Cash	3,046	3,440	3,514	3,537	3,560
Receivables	9,538	9,538	9,538	9,518	9,518
Investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other financial assets	-	15	15	10	10
Total financial assets	12,584	12,993	13,067	13,065	13,088
Non-financial assets					
Infrastructure, plant and equipment	3,746	3,516	3,744	3,409	3,310
Heritage and cultural assets	198	198	198	198	198
Intangibles	157	157	157	157	157
Other	156	140	156	156	156
Total non-financial assets	4,257	4,011	4,255	3,920	3,821
Total assets	16,841	17,004	17,322	16,985	16,909
LIABILITIES					
Provisions					
Employees	3,862	3,827	4,024	4,202	4,202
Other	12	-	-	-	-
Total provisions	3,874	3,827	4,024	4,202	4,202
Payables					
Suppliers	288	489	539	363	283
Other payables	449	458	529	190	194
Total payables	737	947	1,068	553	477
Total liabilities	4,611	4,774	5,092	4,755	4,679
EQUITY*					
Parent entity interest					
Contributed equity	(12,500)	(12,500)	(12,500)	(12,500)	(12,500)
Reserves	11,519	11,519	11,519	11,519	11,519
Retained surpluses or accumulated deficits	13,211	13,211	13,211	13,211	13,211
Total parent entity interest	12,230	12,230	12,230	12,230	12,230
Total equity	12,230	12,230	12,230	12,230	12,230
Current assets	12,740	12,863	13,104	12,849	12,791
Non-current assets	4,101	4,141	4,218	4,136	4,118
Current liabilities	4,235	4,385	4,677	4,367	4,297
Non-current liabilities	376	389	415	388	382

*'Equity' is the residual interest in assets after deduction of liabilities.

**Table 4.3: Budgeted departmental statement of cash flows
for the period ended 30 June**

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	120	170	170	170	170
Appropriations	22,113	22,313	22,501	22,713	22,895
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	22,233	22,483	22,671	22,883	23,065
Cash used					
Employees	13,200	14,754	15,344	15,558	15,770
Suppliers	7,378	5,865	5,983	6,032	6,002
Grants	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	20,578	20,619	21,327	21,590	21,772
Net cash from or (used by) operating activities	1,655	1,864	1,344	1,293	1,293
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	30	30	30	30	30
Other	-	-	-	-	-
Total cash received	30	30	30	30	30
Cash used					
Purchase of property, plant and equipment	1,685	1,500	1,300	1,300	1,300
Other	-	-	-	-	-
Total cash used	1,685	1,500	1,300	1,300	1,300
Net cash from or (used by) investing activities	(1,655)	(1,470)	(1,270)	(1,270)	(1,270)
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from/(used by) financing activities	-	-	-	-	-
Net increase or (decrease) in cash held	-	394	74	23	23
Cash at the beginning of the reporting period	3,046	3,046	3,440	3,514	3,537
Cash at the end of the reporting period	3,046	3,440	3,514	3,537	3,560

Table 4.4: Departmental capital budget statement

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Total capital appropriations	-	-	-	-	-
Represented by:					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
Total represented by	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by					
Departmental resources	1,685	1,500	1,300	1,300	1,300
Total	1,685	1,500	1,300	1,300	1,300

Table 4.5: Departmental property, plant, equipment and intangibles — summary of movement (Budget year 2007-08)

	Land	Investment	Buildings	Other	Heritage	Computer	Other	Total
	property	property		infrastructure	and cultural	software	intangibles	
	\$'000	\$'000	\$'000	plant and	assets	\$'000	\$'000	\$'000
				equipment				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2007								
Gross book value	-	-	-	5,431	198	1,426	-	7,055
Accumulated depreciation	-	-	-	1,685	-	1,269	-	2,954
Opening net book value	-	-	-	3,746	198	157	-	4,101
Additions:								
by purchase	-	-	-	1,465	-	35	-	1,500
by finance lease	-	-	-	-	-	-	-	-
from acquisitions of entities or operations (including restructuring)	-	-	-	-	-	-	-	-
Net revaluation increment/decrement	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	-	-	1,565	-	35	-	1,600
Recoverable amount write-downs	-	-	-	100	-	-	-	100
Other movements	-	-	-	-	-	-	-	-
Disposals:								
from disposal of entities or operations (including restructuring)	-	-	-	-	-	-	-	-
other disposals	-	-	-	30	-	-	-	30
As at 30 June 2007								
Gross book value	-	-	-	6,766	198	1,461	-	8,425
Accumulated depreciation	-	-	-	3,250	-	1,304	-	4,554
Estimated closing net book value	-	-	-	3,516	198	157	-	3,871

Table 4.6: Schedule of budgeted income and expenses administered on behalf of Government for the period ended 30 June

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Taxation					
Income tax	-	-	-	-	-
Indirect tax	-	-	-	-	-
Other taxes, fees and fines	-	-	-	-	-
Total taxation	-	-	-	-	-
Non-taxation					
Goods and services	-	-	-	-	-
Interest	-	-	-	-	-
Dividends	-	-	-	-	-
Other sources of non-taxation revenues	25,015	26,741	27,629	28,949	30,641
Total non-taxation	25,015	26,741	27,629	28,949	30,641
Total revenues administered on behalf of Government	25,015	26,741	27,629	28,949	30,641
Total income administered on behalf of Government	25,015	26,741	27,629	28,949	30,641
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Personal benefits	-	-	-	-	-
Employees	24,615	26,341	27,209	28,499	30,191
Suppliers	400	400	420	450	450
Depreciation and amortisation	-	-	-	-	-
Write down and impairment of assets	-	-	-	-	-
Finance costs	-	-	-	-	-
Other	-	-	-	-	-
Total expenses administered on behalf of Government	25,015	26,741	27,629	28,949	30,641

Table 4.7: Schedule of budgeted assets and liabilities administered on behalf of Government as at 30 June

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash	247	247	247	247	247
Receivables	4	9	9	9	9
Accrued revenues	-	-	-	-	-
Other financial assets	-	-	-	-	-
Total financial assets	251	256	256	256	256
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Investment properties	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Inventories	-	-	-	-	-
Intangibles	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Other	-	-	-	-	-
Total non-financial assets	-	-	-	-	-
Total assets administered on behalf of Government	251	256	256	256	256
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Interest bearing liabilities					
Australian Government securities	-	-	-	-	-
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdraft	-	-	-	-	-
Other	-	-	-	-	-
Total interest bearing liabilities	-	-	-	-	-
Provisions					
Employees	177	182	182	182	182
Taxation refunds provided	-	-	-	-	-
Australian currency on issue	-	-	-	-	-
Other provisions	-	-	-	-	-
Total provisions	177	182	182	182	182
Payables					
Suppliers	115	115	115	115	115
Grants and subsidies	-	-	-	-	-
Personal benefits payable	-	-	-	-	-
Taxation refunds due	-	-	-	-	-
Other payables	-	-	-	-	-
Total payables	115	115	115	115	115
Total liabilities administered on behalf of Government	292	297	297	297	297

Table 4.8: Schedule of budgeted administered cash flows for the period ended 30 June

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000	Forward estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000
OPERATING ACTIVITIES					
Cash received					
Cash from Official Public Account -					
Appropriations	25,015	26,741	27,629	28,949	30,641
Special Accounts	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	25,015	26,741	27,629	28,949	30,641
Cash used					
Employees	24,580	26,306	27,174	28,464	30,156
Subsidies paid		-	-	-	-
Suppliers	400	400	420	450	450
Cash to Official Public Account from -					
Appropriations	35	35	35	35	35
Special Accounts	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	25,015	26,741	27,629	28,949	30,641
Net cash from or (used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	-	-	-	-	-
Net increase or (decrease) in cash held					
Cash at beginning of reporting period	247	247	247	247	247
Cash at end of reporting period	247	247	247	247	247

4.2: NOTES TO THE FINANCIAL STATEMENTS

BASIS OF ACCOUNTING

The preceding budgeted financial statements tables represent estimates by the Department of results that will be reported in year-end annual financial statements for the current year, budget year and forward estimates years. The basis of accounting for the year-end reports is that required under the *Finance Minister's Orders (Reporting requirements)* and Accounting Standards.

This basis of accounting has been applied in general terms to the estimates contained in the above budgeted financial statements tables.

GLOSSARY

Accrual Accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated Depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Administered Items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Additional estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the additional estimates. Parliamentary departments have their own appropriations.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.

Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	Measures the joint or independent contribution of outputs and administered items to the achievement of their specified outcome.
Efficiency indicators	Measures the adequacy of an agency's management of its outputs (and where applicable, administered items). Includes Price, Quality and Quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	Valuation methodology: The amount for which an asset could be exchanged or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.

Intermediate outcomes	More specific medium-term impacts (eg. trend data, targets or milestones) below the level of the planned outcomes specified in the Budget. A combination of several intermediate outcomes can at times be considered as a proxy for determining the achievement of outcomes or progress towards outcomes. (See outcomes)
Operating result	Equals revenue less expense.
Outcomes	The Government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end-results or impacts actually achieved.
Output Groups	A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences.

Quantity	One of the three key efficiency indicators. Examples include: the size of an output; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.
Special Account	Balances existing within the Consolidated Revenue Fund (CRF), that are supported by standing appropriations (Financial Management and Accountability (FMA) Act 1997, ss.20 and 21). Special accounts allow money in the CRF to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (s.20 FMA Act) or through an Act of Parliament (referred to in s.21 of the FMA Act).
Special Appropriations (including Standing Appropriations)	<p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.</p>